

**COMMITTEE ON FINANCE**  
**(Standing Committee of Berkeley County Council)**

**Chairman: Mr. Dennis L. Fish, District No. 5**

The **COMMITTEE ON FINANCE** met on Monday, March 15, 2004, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, at 6:07 p.m.

In accordance with the Freedom of Information Act, the electronic and print media were duly notified.

PRESENT: Mr. Dennis L. Fish, Councilmember District No. 5, Chairman; Mr. Milton Farley, Councilmember District No. 1; Mrs. Judith K. Spooner, Councilmember District No. 2; Mr. William E. Crosby, Councilmember District No. 3; Mr. Charles E. Davis, Councilmember District No. 4; Mrs. Judy C. Mims, Councilmember District No. 6; Mr. Caldwell Pinckney, Jr., Councilmember District No. 7; Mr. Steve C. Davis, Councilmember District No. 8; Mr. James H. Rozier, Jr., Supervisor, ex officio; Mr. D. Mark Stokes, County Attorney; and Ms. Barbara B. Austin, Clerk to County Council.

Chairman Fish called the meeting to order and asked the Committee's approval of the Finance Committee Meeting minutes for February 16, 2004.

It was moved by Councilmember Pinckney and seconded by Councilmember Farley to approve the minutes as presented. The motion passed by unanimous voice vote of the Committee.

Chairman Fish stated that first on the agenda was Ms. Kace Smith, CPA, Finance Director, Re: Re-designation of lease purchase funds.

Ms. Smith referred to the information distributed to the Committee in regard to Computer needs of the County. She stated there is anticipated to be about \$30,000 left in the 2002-2003 Lease Purchase proceeds. The amount available would depend upon the completion of the EMS Station at New Hope/Lebanon. They would like to use those funds for computer purchases. In addition, these needs would have to be included in the fiscal year 2005 budget; however, if they are purchased now, they won't have to be included in next year's budget and the lease money must be spent prior to August.

Supervisor Rozier added that this was good news in that they were able to accomplish what was delegated in the lease purchase and still have this amount of money left. He stated the money would have to be spent on such items as this and would avoid expenditures in next year's budget.

Ms. Smith stated she had been informed that Suntrust had endorsed the County's use of the remaining proceeds of the money for computer purchases. They would buy according to the priority presented on the list.

Councilmember Crosby asked in what order were they selected?

Ms. Smith stated they were rated by MIS based upon the needs of the County.

Councilmember Pinckney inquired as to how the amount depended upon the completion of the EMS Station and the date.

Ms. Smith stated the completion date for the EMS Station for New Hope/Lebanon is tentatively March 31, 2004. Also, the money has to be used by August and for something they could purchase quickly.

Chairman Fish asked for clarification on lease purchases.

Ms. Smith explained that the money is borrowed for a period of time.

Councilmember Steve Davis asked how these purchases would affect the transition to the new County Office Building?

Ms. Smith stated some of the needs must be taken care of as soon as possible. In discussion with Carol Grant, some additional offices will be getting new computers. However, the computers that are being purchased would transfer to the new building.

It was moved by Councilmember Crosby and seconded by Councilmember Charles Davis to approve re-designation of lease purchase funds. The motion passed by unanimous voice vote of the Committee.

**Item B, Consideration** of a **Resolution** authorizing the County Supervisor to negotiate and execute a **contract** with the Berkeley Charleston Dorchester Council of Governments for planning services regarding **review** of the **Berkeley County Comprehensive Plan** as mandated by S.C. Code of Law Section 6-29-510, 1976, as amended.

Ms. Madelyn Robinson, Interim Zoning Administrator, stated this request constitutes County Council to sign a Resolution allowing the County Supervisor to negotiate a contract with the Council of Governments to help Staff in the required review of the Comprehensive Plan. This is the five-year review as mandated by State law.

Councilmember Spooner asked if they were considering changes?

Ms. Robinson explained to be considered are updates of census figures, housing figures, a cultural resources map with the inclusion of the new Cooper River Historic District, and a couple of changes to the future Land Use map. She stated that most of it was facts and figures; staff would provide a lot of the text information and that COG has a lot of these figures in their possession, which they would add to the review.

Councilmember Spooner asked if Staff has a list of changes that would be recommended in regard to Land Use?

Ms. Robinson stated they would recommend changes to the I-26 Corridor and specifically into Berkeley County along Hwy. 17-A. She stated Staff would provide that information at the proposed meeting.

Supervisor Rozier stated that five years ago, Berkeley County negotiated with the Council of Governments to provide technical services for \$50,000, and one of our sister counties spent \$495,000. Since COG has our information in place they could recommend the amendments without having to research. He stated he would suggest that because he is Chairman of COG that he delegate negotiation of the contract to the Vice-Chairman, William Crosby.

Councilmember Mims asked for an explanation regarding Compensation under the Planning Services Agreement, which stated, *"It is expressly understood and agreed that requested planning services would be billed on an hourly basis at a rate of \$50.00 per hour, not to exceed \$15,000 without permission of both parties."*

Supervisor Rozier indicated these figures would be proposed to COG by the County.

Councilmember Crosby stated there were a lot of documents involved in the initial Comprehensive Plan and to understand everything, one would have to spend countless hours. One of the big discussions dealt with lot sizes.

Ms. Robinson stated that is part of the subdivision and land development regulations, which is a separate ordinance. She stated the Subdivision Regulations and the Zoning Ordinance are the tools used to achieve what the Comprehensive Plan outlines. The Comprehensive Plan is only a guide; it cannot be determined what the market will do five years from now. It's not something the County is mandated to follow.

Supervisor Rozier stated Council could make decisions outside or inside the Comprehensive Plan. However, decisions cannot be made contrary to the Zoning Ordinance without amendment.

Councilmember Steve Davis asked if the contract renewed each year in that it is a five-year plan?

Ms. Robinson indicated the contract addresses the mandated five-year review. Once the review has been completed, the contract would also be completed. In five years the State would mandate yet another review of the entire Comprehensive Plan.

Supervisor Rozier explained the contract with COG is a single purpose contract and when they are finished the work they are hired for in guiding and revamping the Comprehensive Plan for the next five years then their work is over until if and when we contract with them at the end of another five years. He stated the language states that the contract would not exceed \$15,000; it would not exceed \$15,000 without coming back to Council for approval to go over \$15,000.

It was moved by Councilmember Charles Davis and seconded by Councilmember Spooner to amend the Resolution authorizing the Vice-Chairman of County Council instead of the County Supervisor to execute a contract with Berkeley Charleston Dorchester Council of Government. The motion passed by unanimous voice vote of the Committee.

**Item C, Ms. Madelyn Robinson, Interim Zoning Administrator, Re:** Additional funds for department, not to exceed \$15,000.00, for contractual services for Comprehensive Plan Review.

Supervisor Rozier indicated the \$15,000 would remain in the Finance Department to be used as needed.

It was moved by Councilmember Mims and seconded by Councilmember Crosby to approve additional funds for the Planning and Zoning Department, not to exceed \$15,000.00. The motion passed by unanimous voice vote of the Committee.

**Item D, Mr. Ted Austin, Berkeley County Risk Manager, Re:** Additional funds for liability insurance premiums.

Mr. Austin stated Berkeley County is insured for all property liability casualty automobile policies through the South Carolina Insurance Reserve Fund, as are most public entities in South Carolina. He stated Berkeley County along with all members of the Insurance pool received a letter several months ago indicating that all members would receive a 45 percent increase in premiums across the board. That equates to \$81,150.00. In an attempt to control insurance premiums the deductible could be increased. Mr. Austin stated that Tort and Vehicle Liability Policies are the largest. There is a \$250 deductible on Automobile and Comp and Collision Policies. If the deductible were raised to \$1,000 per accident, per incident, it would lower the premium \$7,000 a year. The County encounters some 30-60 at fault accidents per year. If the 60 accidents were multiplied by the additional \$750 per deductible incident out of pocket, it would be approximately \$45,000 out-of-pocket to save \$7,000 in premiums, which doesn't make sense.

On the Tort Liability Policy there is no option for reducing the deductible; that is a fixed \$250 deductible. The only option would be to change coverage from a \$1,000,000 to \$600,000. The South Carolina Tort Claims Act protects or places a cap on liability for all public entities in South Carolina. It limits \$600,000 per incident; however, that's only for State Court. If there is a 1983 action or Civil Rights action, it would go to a Federal Court and there is no cap or protection. Mr. Austin stated we must have that additional protection.

Councilmember Crosby asked in reference to the graph provided for the annual insurance premium, the year 2001-2002 the Tort and Liability came down from \$125,000 to \$60,000; and in 2003 it went back up. What indication is that?

Mr. Austin explained Tort Liability is based specifically on the dollar amount for the number of employees. The graph's implication was to show that even though we are having a 45 percent increase this year; we are still below where we were four years ago. Tort fell from \$150,000 to \$120,000 and has held for the past two years. And that is based on Pool Performance, primarily. Everyone in the Pool is assigned a rate and is multiplied by the number of employees. The County has done well the last three years but everyone is seeing the 45 percent increase across the board.

Councilmember Spooner asked if we were below what we were paying out in 2001 on Automobile and a little above on Tort Liability?

Mr. Austin stated if all our lines were combined we are below where we were in 2001.

Councilmember Pinckney asked for Mr. Austin to repeat the number of at-fault accidents that may be normal in a year?

Mr. Austin responded 30-60 a year.

Councilmember Pinckney asked if accidents have a direct affect on what the premiums are?

Mr. Austin responded no, it only plays into the Pool's performance.

Supervisor Rozier added that we are not evaluated on an individual basis; the Pool is evaluated and the premium is extended. We could have a great year and 25 other counties have a terrible year, as a result our premium would be increased.

Chairman Fish stated he was concerned about the number of employees that were repeat offenders. There have been incidents in some organizations where management was surprised when they conducted an analysis of several years and found

there are repeat offenders; the interesting trend was that the people were the same. He asked Mr. Austin if he had any data to verify if there were repeat offenders?

Mr. Austin stated this issue is completely separate from Workmen's Compensation. On occasions there are repeat offenders. About 70 percent of the accidents involve Sheriff's vehicles. And that is due to the nature of their duties and their requirement to drive constantly, often at a high rate of speed. We do not have a schedule of repeat offenders. There is no long list indicating one person has more accidents than another. There are things we can do and have done, we can place them into Emergency Vehicle Operator Training and other things we can do for those who may have accidents more often than others.

Councilmember Steve Davis referenced Police Officers and the incident at Stratford High School and asked were they in the same pool as Berkeley County?

Mr. Austin stated he assumed that the City of Goose Creek was incorporated into the SC Reserve Fund.

Councilmember Steve Davis asked for an explanation of financial reversals?

Mr. Austin stated that with the interest rates falling there have been a reduced amount of investment income return. Also large losses have been experienced due to the number of counties and municipalities involved in this pool. There have been several large claims this year.

Councilmember Steve Davis asked if malfeasance and their duties affect this pool?

Mr. Austin stated, yes, and also, most notably this is a trickle down from September 11 (911). Immediately after 911 there was talk about the insurance increases. Some entities saw 50 to 800 percent increases. During this time ours continued to fall. This is basically our first increase.

Councilmember Steve Davis asked if the Legislators ever tap into this fund and use this money for other issues?

Supervisor Rozier indicated we would have no way of knowing that. He stated we cannot afford to be without the insurance nor can we afford to raise the deductibles or lower the amounts.

Mr. Austin stated they may not need the entire \$81,150 in that they have asked other departments to look for additional funds to aid in this expense.

It was moved by Councilmember Spooner and seconded by Charles Davis to approve \$81,150 for liability insurance premiums and remain in Finance Department for disbursement. The motion passed by unanimous voice vote of the Committee.

Mr. Rozier further stated everyone should pay close attention to what has transpired just tonight. We have no contingency and yet there have been requests for \$81,000.00; \$15,000.00; \$50,000 to \$60,000. County budgets will be reviewed beginning tomorrow. It looks very serious.

**Item E, Review prior to First Reading** of an Ordinance to amend Ordinance No. 03-06-38, adopted June 16, 2003, to provide for **Supplemental Appropriations** and allocations thereof within the 2003-2004 Budget for Berkeley County, and other matters pertaining thereto.

It was moved by Councilmember Crosby and seconded by Councilmember Charles Davis to send the Ordinance Re: Supplemental Appropriations to Council for First Reading.

Supervisor Rozier stated this ordinance would be our potential healer and that if we save some money in this year's budget and have Supplemental Appropriation money available, we could replenish the Contingency Fund without tapping into the Fund Balance.

Councilmember Crosby added that much of the Contingency fund was depleted due to the tremendous increase in Workman's Compensation, about \$400,000, which was a staggering amount.

The motion passed by unanimous voice vote of the Committee.

Chairman Fish requested that the County Attorney and the Risk Manager develop a list of occurrences of Workman's Compensation claims and other at-fault accidents over the last two years. The list should include Departments, individuals and dollar amounts. The information should list any repeat offenders due to carelessness; the nature of the accident and include if there are any policies in place to address the situation.

Councilmember Charles Davis requested that a report on training versus payouts be provided as well.

**Item F, Bryan Truesdale, Atkins and Williams, PA, Certified Accountants,** Re: Presentation of Audit and Financial Statements.

Ms. Charlotte Allen thanked members of the Finance Department and other departments for their cooperation and assistance in gathering information for the

audit. She stated this was a big year for the Finance Department because they had to implement the new GASB-34, Reporting Model.

Ms. Allen referenced the SAS-61 letter, which is a required communication to Council as the Audit Committee. The letter addresses their responsibility under the auditing standards and the Federal auditing standards that talks about what can be expected and what cannot. The next page states that the GASB-34 was implemented and calls Council attention to where in the notes that the financial statement information on that could be obtained.

**Accounting Estimates** are usually issues where judgment is involved as to what number is recorded on the financial statement. They are typically estimates and may or may not be correct. Now that GASB-34 is in existence, there are allowances for:

- *Uncollectible property taxes.*
- *Depreciation and Depreciation expense.*
- *Uncollectible water and sewer, solid waste and emergency medical services revenues.*
- *Landfill closure and post-closure cost when landfills are full.*

**Audit Adjustments** *were none individually are in the aggregate that could have a significant affect. Management elected to restate the beginning fund balance in the Sangaree Tax District from \$348,210 to zero to show the amounts payable to the Tax District to more accurately reflect the nature of the relationship between the County and the Tax District. This essentially says that the County collects the funds but have no control over it. The Tax District is assisted with expenditure but it is their funds and cannot be appropriated elsewhere.*

**Disagreements with Management** are matters regarding whether or not if resolved to our satisfaction could be significant to the financial statement or the auditor's report and there were no such disagreements.

**Consultations with other Independent Accountants.** Ms. Allen reported no knowledge of consultations with other independent accountants.

**Issues Discussed Prior to Retention of Independent Auditors.** There was no opinion shopping prior to engagement with them. In other words, "You can have this job if you give us a good opinion." That's not permitted under ethical standards and there were no such conversations.

**Difficulties Encountered In Performing the Audit** pointed out that due to the GASB-34 issue the financial statement was temporarily delayed waiting for representation/documents from an attorney.

Ms. Allen continued with page 1 of the Financial Statement stating that in their opinion, *"the financial statements present fairly in all material respects. The*



*financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Berkeley County South Carolina and the respective changes in financial position is a clean opinion."*

She stated the wording of the opinion has changed to reflect the reality of the GASB-34, whereas in the past they rendered an opinion on the general-purpose financial statements. The auditor has to break it down between business type and non-business type governmental; major funds if any and everything else. They must render an opinion on each of those aspects. Any one of those could cause a modified opinion.

Ms. Allen referenced page 2, **Management Discussion and Analysis**, which are required supplemental information under the new GASB reporting model. This letter is written by management with no input from the auditors other than to ensure that the numbers and the quantifiable figures and information contained therein are correctly presented in relation to the financial statement. She stated they do not express an opinion because there are interpretations and subjective judgments that are not issues they contest.

Councilmember Pinckney asked if through the auditing process, although the auditors gave the County a clean bill, could there be some discrepancies that the audit would not address?

Ms. Allen stated no, on pages 3-8 of the Financial Statement, this letter is similar to the Comprehensive Annual Financial Statements the County used to do 3-4 years ago. It was a transmittal letter that gave an executive summary of the Financial Statement. This is management's opinion of the significance of that information and that they are not going to render an opinion on these three pages. This is an executive summary and page 6 gives comparisons about revenues. She continued with the budgetary highlights on page 7, the variances and how the budget was arrived at. Information about capital assets, where the money was spent, debt administration and economic factors that have come into play that have caused the County's position to improve or not. This is part of the Financial Statement under the new reporting model.

Councilmember Steve Davis asked if they could accept the statement that says, *"during the current fiscal year, unreserved fund balance in the general fund increased to \$6,365,542. The County has appropriated \$2,261,453 of this amount for spending in the 2004 fiscal year budget. It is intended that this use of available balance would avoid the need to raise taxes or charges during the 2004 fiscal year."*

Ms. Allen stated that it is intended, which is why she does not express an opinion on this particular part of the document.

Supervisor Rozier stated this is done each year; up to as much as \$4,000,000 one year was designated for spending to balance the budget. However, it was never spent. For the last three or four years, what was designated to spend from the fund

balance to help balance a budget was never spent. In fact this year, \$455,000 was added to the Fund Balance.

Councilmember Crosby asked for clarification on the 7.2 percent increase of the General Fund over the prior fiscal year.

Ms. Allen stated on page 14, net change in Fund Balance, \$455,900 is an increase of 7 percent over what it was last year, which was \$6.3 million.

Supervisor Rozier stated the Fund Balance was \$1.8 million 13 years ago; the Fund balance has been consistently added to.

Ms. Allen stated the Fund Balance at the end of June was in a desirable position. It is about two month's operating revenue, 20 percent of the expenditures and a reasonable place to be without being greedy at the taxpayers' expense.

Supervisor Rozier stated that when the County endorsed the \$25 million bond issue, we received an A+ rating without the need of additional insurance. The Fund Balance allowed this and if it were not in place the County would have had to purchase insurance to get the A+ rating. He stated that it is being very kind to the taxpayers in keeping a fund balance; and we have not had a Tax Anticipation Note in 13 years.

Ms. Allen continued with pages 17 and 18 and stated the actual budget is more detailed. This was expanded over what it had been in the past, and a format the Governmental Finance Officer's Association recommended gives more information without overwhelming you. It allows you to see where the variances are in the revenues and expenses.

Ms. Allen stated the GFOA provides an Elected Official's guide to the new reporting model and the Finance Department can obtain those. She stated she would be curious to see how useful governing bodies find this as time passes and they get more accustomed to the book.

She stated page 11 depicts a statement of activities that starts from the expenses and what the program costs. It shows what revenues the departments raise to help support themselves. Typically, the net expense is a negative number in the governmental activities; the ones that are not designed to be self-supporting are general government, public safety, airport, highways and streets. Ms. Allen stated all of those run at a deficit, which is expected. The business activities, except for Parks and Recreation are self-supporting. Water and Sewer has earned \$5.8 million in the current year and the Solid Waste is essentially break-even considering their expenditures. The same is true with the Emergency Telephone (911) fund. The bottom half of the page shows the types of general revenues. They are not generated by a particular activity; the larger part of those are the property taxes and the fee-in-lieu, and also, Accommodations

and Franchise Fees. The grants and contributions not restricted to specific programs are your aid to counties from the State.

Councilmember Steve Davis asked about Parks and Recreations?

Ms. Allen stated Parks and Recreations cost \$1.1 million to operate and has generated about \$400,000.

Councilmember Steve Davis asked why was the \$698,762 in parenthesis under Parks and Recreation?

Ms. Allen stated that is the degree to which the expenses exceed what was generated. There is additional information on pages 61 and 62. There are some combining statements to give expanded information on the two non-major programs. Water and Sewer and Solid Waste are major programs.

Councilmember Steve Davis asked would it be fair to say that there is a deficit in reference to Parks and Recreation?

Ms. Allen stated Parks and Recreations, essentially Cypress Gardens, has a lot of assets. Whether it serves the needs of the community or not would be a decision for Council to make.

Councilmember Spooner stated she was not aware of any parks that are government owned that are self-supporting.

Ms. Allen stated this could be a strong case for a Special Revenue Fund because the County would have to supplement Cypress Gardens.

Ms. Allen referenced the reconciliation on pages 15 and 16, which shows the difference between the two presentations. On the modified accrual the analogy is that you know what's due for the month and the amount of your paycheck; therefore, that's the month's view. However, if you were to scale back and say, "I own a house, this is what it's worth, the equity; what I owe on the house, what is owed on the car, and what's in the retirement fund." That would be what the new GASB is trying to pull back and take a look at.

Councilmember Crosby questioned the Internal Control over Financial Reporting on page 72. He stated that when the audit is presented each year, the accountants only sample a certain percent of the information and when it is assembled it is similar to assets and liability type statements. There are occasions where they find things happen on a lower level that Council doesn't know about. One statement says, *"our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be a material weakness."*

Ms. Allen stated materiality only pertains to a number in the context of a financial statement; for a bigger government, it would be a bigger number. “At what level would I have to modify the opinion because I believe that number was wrong?” In the context of Councilmember Crosby’s question a material weakness is a very significant flaw in the functioning of internal controls that would lead them to believe that errors or fraud could occur and not be found by the employees of the county during the course of their doing their jobs. An example would be perhaps that none of the banks are ever reconciled; that would be a material weakness in the internal control procedures. “You absolutely don’t want to have a material weakness because the chances are that it would lead to a modified opinion on your financial statement because we are not going to be able to feel comfortable that this system is producing reliable information.”

Councilmember Crosby indicated it concerned him that there is no system in place that allows them to recognize problems before they start and enables them to make decisions to help. He stated he favored having internal and external auditors. When an external auditor comes in, he can’t look into that report and say that he felt real great.

Ms. Allen stated there is a public perception that there is a problem in the accounting field. The vast public perception is that auditors are to prevent fraud. She stated, “I’m not here 365 days a year and I’m not a part of your management team. There is no way I can prevent fraud. Hopefully, we can find fraud and we are always on the alert for fraud.” They have issued new governmental accounting standards that say they have to look for fraud. The Financial report says, “*The results of our test disclose no instances of non-compliance.*”

Supervisor Rozier added that the auditor tests a very small percentage of what the total picture is.

Ms. Allen stated they examine samples large enough to get trends to find out whether or not the County’s internal control is functioning. This is not to say they won’t miss something because it can happen—it does happen. Whether in their professional judgment, they would opt to say it is not appropriate; they must do the testing of the County’s system of internal control because it is a governmental entity. They also look at large account balances or balances with a lot of activity.

Supervisor Rozier asked what was meant by large or a lot?

Ms. Allen stated that would be where the materiality comes in. In any account balance in the County, “about \$100,000”, if it’s over that amount of money they are going to do detail testing. For example, they get confirmation from the State on how much money is given to the County and they ask to see it in the financial statement. There is a lot more involved than just the sampling of those particular processes.

Chairman Fish asked if they spend more time looking at the cash portion even though it may be less than \$100,000?

Ms. Allen stated their company's policy typically is to confirm all cash regardless of amounts. If it's a \$350 account that had gotten to the end of the audit they may not confirm it, they may just look at the bank statement.

Councilmember Spooner asked if there would be anything that would prompt them if there were a prior problem in a department; would they automatically go back to that department next year?

Ms. Allen stated, yes, if there were findings in that department in a previous year, they would certainly test that department the next year and specifically focus on the issues they had problems with in the past. If someone called it to their attention, they would follow up on what the nature of it would be. She stated they would not ignore something even if it was immaterial but it would not affect their opinion on the financial statement if it were immaterial.

Councilmember Steve Davis questioned Primary Governmental activities on Page 11. Under culture and recreation, the expense column is \$1,904,335. What was this expenditure for?

Ms. Allen stated those expenditures were for the library and the museum, which are noted on pages 55, 56, 57 and 58.

Chairman Fish asked if they look extensively at internal controls regarding purchasing, as to who contracts for or orders, who signs and who pays?

Ms. Allen stated yes, and more has been done within the last three or four years. Part of that is in response to the stepped up requirements for fraud search because it is typically an area where there is a lot of latitude. In the old style accountant view purchasing was not such a strong issue; it was a management issue and the accountant took the position that whether or not it was properly bid that's how much was spent.

Councilmember Spooner referenced the Management letter and stated that \$281,588 was written off under billing services for EMS in 2002; and \$857,977 in 2003. She asked if there were any way of collecting any of that using the debt setoff as used for other types of collection.

Ms. Allen stated the County uses the debt setoff program for EMS. There are contractual adjustments for EMS that are not in Council's control to deal with the different price breaks between contracts with Medicare or Medicaid. She stated the company that the County contracts is obviously not doing this on an on-going basis and is not providing sufficient detail on what is written off.

Supervisor Rozier explained that in the upcoming budget the possibility of doing that in house would be explored.

Chairman Fish thanked Ms. Charlotte Allen for the presentation.

**REPORTS FROM STANDING COMMITTEES:**

**COMMITTEE ON JUSTICE AND PUBLIC SAFETY,** Mrs. Judy C. Mims, Chairman.

Councilmember Mims stated the Committee met on March 8, 2004 and on recommendation of the Committee moved to transfer \$67,986.00 from Contingency to the department of the Clerk of Court.

Supervisor Rozier indicated his understanding was that it was being sent to Finance without a recommendation.

Chairman Fish added that there were questions regarding expenditures, the status of Ms. Brown's budget and the need for additional funds.

Ms. Kace Smith, Finance Director, stated she prepared the budget request based upon the request received from the Clerk of Court. However, it was sent to the Finance Committee for discussion - without recommendation.

Chairman Fish asked how many jury trials have been conducted this year and how many more were expected?

Ms. Mary Brown, Clerk of Court, stated that she along with her deputy, Jim McClinton, her accountant, Sherry Zimmerman, met with Kace Smith, Finance Director, Ed Kilcullen, Deputy Finance Director and Marietta Hicks and went over each line item. They provided the statistics Ms. Smith requested.

She indicated she had no control over the trials because the jury has to be summoned on Mondays when there is a term of court. They have 13 terms left, and 11 of those are jury trials. The Solicitor calls his docket and civil cases are called by the Administrative Judge, which is a low figure.

Supervisor Rozier asked Ms. Brown if she would have more or less cases than before; or if it were based on what she had been having?

Ms. Brown stated they based it on how many terms of court they had left for the remainder of the year and what it averages a week. She stated she would use what was done in 2003-2004 budget year as a guide. In 2002-2003 they didn't have as much court when the State started crunching. They have had two double terms of court, which means Civil and General Sessions at the same time. The checking account for payment

of Jurors is down to \$3,000. Ms. Brown indicated that Ms. Smith asked the balance for the Jury account and how many terms of court. They started another murder trial today and still have 11 terms of court that required Jurors.

Supervisor Rozier stated that it appeared that at some point during the year \$2,000 was transferred out of that account to another line item; it went from \$41,000 to \$39,000.

Ms. Brown stated that particular transfer was used to replace a transmission in one of the cars.

Supervisor Rozier asked why would she transfer from that account if she were running double terms?

Ms. Brown stated that was the only line item she felt comfortable withdrawing from because the budget is very tight.

Supervisor Rozier: "but you felt comfortable taking it from that account."

Ms. Brown: "Well, I needed to get the car fixed, no, I'm not ever comfortable taking from anything."

Councilmember Steve Davis asked what was the primary use of the car?

Ms. Brown stated the car was used to pick up Jurors. The Sheriff's Department does not pick up Jurors because of the cost per hour to take a deputy off the road. She stated they also pick up meals and supplies for the Jurors. Charleston may have 100 deputies to pool from but Berkeley County does not have that.

Councilmember Steve Davis asked who was assigned from the Clerk of Court's Staff to pick up Jurors?

Ms. Brown responded that the Bailiffs pick up the Jurors.

Councilmember Steve Davis asked if the balance of \$81,400 indicated in Clerk of Court's filing fees was correct?

Ms. Brown stated the filing fees go to the County daily; and \$56 of every \$100 paid goes to the State. The only one that is charged is the Department of Social Services and they send a check once a month and we bill them. More in revenue is being collected than was anticipated, but unfortunately, it is not shown because it goes to the State. For example, the \$25 motion fee is collected but the County doesn't get one dime.

Ms. Brown asked for a copy of what the Committee was looking at.

Supervisor Rozier stated at one point the County was writing the Juror's checks. At what point did the Clerk of Court take over?

Ms. Brown responded the payment of the checks for the Jurors is connected to the County's database. There was a delay in Finance issuing the checks approximately two years ago but "if you want that job back we'll be glad to give it to you."

Supervisor Rozier stated, "Okay, we'd like to have it back. If you don't mind giving it to us that would be good. And we'll get with you and get that information so we can handle that for you."

Chairman Fish asked what the difference was in Operating Supplies and Office Supplies?

Ms. Brown responded she could move the amount from Rents and Leases and use it in Operating Supplies. She continued that she understood the \$2500.00 in Rents and Leases would not be paid to the Masonic Lodge due to the County's plans to pave the parking lot that the Court uses for parking. And that the amount for rent not be paid for two years.

Supervisor Rozier suggested the following line item amounts be considered:

Temporary employees w/benefits:	
Using the pay periods for the balance	
Of this budget year:	\$ 9,901.39
Office Supplies:	\$ 2,500.00
Printing and binding:	\$ 2,214.00
Postage:	\$ 632.00
Books and periodicals:	\$ 1,000.00
Cleaning and Sanitation Supplies:	\$ 521.00
Jurors and Witnesses:	\$14,288.00
Special Contracts:	<u>\$ 5,000.00</u>
Total	\$36,056.39

Supervisor Rozier suggested that the total remain in Finance and transfer as needed. And further explained that was the way many other departments handle similar transfer requests. Mr. Rozier further suggested that the Clerk be as miserly as possible because the County is out of money.

Ms. Brown responded that she understood, but the Courts have to operate



It was moved by Councilmember Spooner and seconded by Councilmember Farley to amend the main motion and to transfer up to \$36,056.00 to the Clerk of Court's Department from contingency but to be transferred on as needed basis. The motion passed by unanimous voice vote of the Committee.

It was moved by Councilmember Spooner and seconded by Councilmember Steve Davis to adjourn the Committee on Finance. The motion passed by unanimous voice vote of the Committee.

The Committee on Finance adjourned at 7:40 p.m.

April 19, 2004  
Date Approved

**FINANCE**  
(Standing Committee of Berkeley County Council)

Chairman: Mr. Dennis L. Fish, District No. 5

Members: Mr. Milton Farley, District No. 1  
Mrs. Judith K. Spooner, District No. 2  
Mr. William E. Crosby, District No. 3  
Mr. Charles E. Davis, District No. 4  
Mrs. Judy C. Mims, District No. 6  
Mr. Caldwell Pinckney, Jr., District No. 7  
Mr. Steve C. Davis, District No. 8  
Mr. James H. Rozier, Jr., Supervisor, ex officio

A **Meeting** of the **COMMITTEE ON FINANCE**, Standing Committee of Berkeley County Council, will be held on **Monday March 15, 2004**, in the Assembly Room, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Comer, South Carolina, following the meeting of the Committee on Public Works and Purchasing at 6:00 pm.

**AGENDA**

**APPROVAL OF MINUTES**

**February 16, 2004**

**A. Ms. Kace Smith, CPA, Finance Director**, Re: Re-designation of lease purchase funds.

**B. Consideration** of a **Resolution** authorizing the County Supervisor to negotiate and execute a **contract** with the Berkeley Charleston Dorchester Council of Governments for planning services regarding **review** of the **Berkeley County Comprehensive Plan** as mandated by S.C. Code of Law Section 6-29-510, 1976, as amended.

**C. Ms. Madelyn Robinson, Interim Zoning Administrator**, Re: Additional funds for department, not to exceed \$15,000.00, for contractual services for Comprehensive plan review.

**D. Mr. Ted Austin, Berkeley County Risk Manager**, Re: Additional funds for liability insurance premiums.

**E. Review** prior to **First Reading** of an **Ordinance** to amend Ordinance No. 03-06-38, adopted June 16, 2003, to provide for **supplemental appropriations** and allocations thereof within the 2003-2004 Budget for Berkeley County; and other matters pertaining thereto.

**F. Bryan, Truesdale, Atkins and Williams, PA, Certified Accountants**, Re: Presentation of Audit and Financial Statements.

**G. REPORTS FROM STANDING COMMITTEES:**

**1. Committee on Justice and Public Safety  
Council Member Mrs. Judy Mims, Chairman**

- a) Additional funds for Clerk of Court.

March 10, 2004  
S/Barbara B. Austin  
Clerk of County Council